2015 Social Security/SSI/Medicare Information

Social Security Program

• <u>Tax Rate</u>: Employee ----- 7.65% (6.20% -OASDI, 1.45% - HI)¹ Employer ----- 7.65% (6.20% - OASDI, 1.45% - HI) Self-employed ---- 15.30% (12.40%-OASDI, 2.90% - HI)

• Maximum Taxable Earnings Base: OASDI-- \$118,500; HI-- No limit

Maximum FICA/SECA Taxes:OASDIHIEmployee:\$7,347.00No limitEmployer:\$7,347.00No limitSelf-employed:\$14,694.00No limit

• OASDI Covered Workers (est. -- in millions, CY 2015): Wages Self-employed Combined

156.2 19.2 167.5

• Percent of workers in paid employment or self-employment who are covered: 94%

• Estimated Worker/Beneficiary Ratio: 2014: 2.8 to 1 2040: 2.1 to 1

- Earnings Required for a Quarter of Coverage in 2015: \$1,220; (\$4,880 for four)
- <u>Coverage Thresholds for 2015</u>: Self Employment: \$400; Domestic Employment: \$1,900; Election Workers: \$1,600
- Retirement Test Exempt Amounts:
 - --No test beginning with month of attaining full retirement age (FRA)
 - --For pre-FRA months in year attaining FRA: -- \$41,880 annually, \$3,490 monthly (\$1 for \$3 withholding rate)
 - --Under FRA: --\$15,720 annually, \$1,310 monthly (\$1 for \$2 withholding rate)
- Substantial Gainful Activity: \$1,090/mo. for non-blind, disabled; \$1,820/mo. for blind.
- Trial Work Period Service Month: \$780/mo.

Minimum Earnings for "Year of Coverage" (WEP):

 Special Minimum:
 Windfall Elimination Provision:

 Minimum Earnings for "Year of Coverage" (WEP):

 \$13,230

• Formulae Bend Points: (Applicable to workers who reach age 62, become disabled, or die in 2015)

 Primary Insurance Amount (PIA)
 OASI Maximum Family Benefit (MFB)

 90% of first \$826 of AIME, plus
 150% of first \$1,056 of PIA, plus

 32% of AIME over \$826 through \$4,980, +
 272% of PIA over \$1,056 through \$1,524+

 15% of AIME over \$4,980
 134% of PIA over \$1,524 through \$1,987 +

175% of PIA over \$1,987

(DI MFB ranges from 100% - 150% of the PIA, depending on the PIA level)

Average Monthly Benefits: 2
Retired worker: \$1,328
Retired worker and aged spouse: 2,176
Disabled worker: 1,165
Disabled worker, spouse, and children: 1,976
Aged widow(er): 1,274
Widowed mother/father and 2 children: 2,680

¹ The Affordable Care Act increased the HI tax by 0.9 percent for single filers with wages above \$200,000 and joint filers with wages above \$250,000 which began in January, 2013.

² Average Monthly benefit changes based on the number of new entitlements as well as the number of beneficiaries who come off of the Social Security rolls monthly.

SSA/OLCA 3/25/2015

•	Benefits for 1/2015 Retirees:	Age 62 (F	Age 62 (FRA 66)		FRA (Age 66)	
		<u>PIA</u>	Benefit	<u>PIA</u>	Benefit	
	Scaled low earner	\$1,017.60	\$763	\$1,004.70	\$1,004	
	Scaled medium earner	1,675.80	1,256	1,655.60	1,655	
	Maximum earner	2,685.50	2,014	2,663.80	2,663	

• <u>Long-Range Constant Pre-Retirement Earnings Replacement Rate</u>: Retirement at Age 67 in 2030 or later Scaled low earner: 55%; Scaled medium earner: 41%; Maximum earner: 27%

• Number of OASDI Beneficiaries (as of 11/14):

Total OASDI beneficiaries:	59.0 million
Retired workers and family members:	41.9 million
-Retired workers:	39.0 million
-Spouses:	2.3 million
-Children:	0.6 million
Survivors of deceased workers:	6.1 million
-Aged surviving spouses:	3.8 million
-Disabled surviving spouses:	0.2 million
-Surviving spouses w/ child-in-care:	0.1 million
-Children:	1.9 million
DI beneficiaries:	10.9 million
-Disabled workers:	9.0 million
-Spouses:	0.2 million
-Children:	1.8 million

• Number of OASDI Children Beneficiaries (11/14):

-Total:	4,342,601
-Children under age 18:	3,175,981
-Students:	118,236
-Disabled Children:	1,048,384

• Special Minimum PIA (effective 12/2014):

The highest special minimum PIA = \$829.80 (30 years of coverage)

• Full Retirement Age Schedule — by Year of Birth:

1938 - 65/2 mos.	1942 - 65/10 mos.	1957 - 66/6 mos.
1939 - 65/4 mos.	1943 - 54 – 66	1958 - 66/8 mos.
1940 - 65/6 mos.	1955 - 66/2 mos.	1959 - 66/10 mos.
1941 - 65/8 mos.	1956 - 66/4 mos.	1960+ - 67

• Other Revenue -- % of Benefits Taxed:

% Taxed	Income Threshold	Filing Status	Where Revenue Goes
up to 50%	\$25,000 - \$34,000	Individual	OASDI
	\$32,000 - \$44,000	Joint	OASDI
up to 85%	\$34,000 +	Individual	HI
_	\$44,000 +	Joint	HI

- Average Wage Level: 2014: \$46,786.77 (est) 2013: \$44,888.16
- <u>Maximum Amount of Windfall Elimination Provision (WEP) reduction:</u> 2015: \$413

• OASDI Administrative Expenses (excluding Treasury administrative costs) FY 2014:

	<u>OASI</u>	<u>DI</u>	<u>OASDI</u>
Amount (in billions)	\$ 2.9	\$2.7	\$5.6
Percent of Benefit Payments	0.4%	1.9%	0.7%

• OASDI Benefit Payments (FY 2014):

OASI: \$698.3 billion DI: 141.3 billion OASDI: 839.6 billion • OASI/DI Trust Funds' Operations (in billions based on intermediate assumptions in 2014 Trustees Report):

			Funds'.	Assets .
Calendar Year	<u>Income</u>	<u>Outgo</u>	Net Incr.	EOY Balance
2013	\$855	\$823	\$32	\$2,764
2014 (est)	\$882	\$863	\$19	\$2,784

- Key dates from 2014 OASDI Trustees Report (using intermediate assumptions):
 - 2010 Expenditures exceeded tax income and remained in excess thereafter.
 - DI Trust Fund asset reserves are depleted. At that time, Social Security taxes would support about 80% of the expected DI benefits.
 - 2020 Expenditures exceed total income and remain in excess thereafter.
 - OASDI Trust Fund asset reserves are depleted. At that time, Social Security taxes would support about 75% of the expected OASDI benefits.
- Estimated long-range deficit: 2.88 percent of taxable payroll.
- Percent of Beneficiaries (by Sex) Receiving Social Security benefits in 2013 (latest data available):
 55% Women 45% Men
- Social Security income as a percent of total income of beneficiaries in 2013 (latest data available)

52% of aged couples and 74% of unmarried aged individuals depend on Social Security for 50% or more of income 22% of aged couples and 47% of unmarried aged individuals depend on Social Security for 90% or more of income

SSI Program

SSI Payment Standard: (Federal Maximum) \$733 individual, \$1,100 couple

• Resource Limits:

Individual----- \$2,000 Couple----- \$3,000

Number of SSI Recipients and Average Federally Administered Payment—All Sources (as of 11/14):

	Recipients	Average Payment
Total	8,362,879	\$ 532
Aged	1,159,272	418
Blind and Disabled	7,203,607	550

SSI Recipients with Federally Administrated Benefits by Age:

Under 18	1,302,319	\$ 640
Age 18-64	4,932,149	550
Age 65 and Over	2,128,411	425

- SSI Expenditures FY 2014
- Federal SSI payments ----- \$51.4 billion
- Federally Administered State Supplements ----- \$3.3 billion

Social Security and SSI Information

- Number of people receiving monthly benefits from SSA (as of 11/14):
 - -OASDI Benefits only ----- 55.8 million
 - -SSI Benefits only ----- 5.6 million
 - -OASDI and SSI Benefits Concurrently --- 2.8 million
 - Total----- 64.1 million
- Program Accuracy (latest data):
 - OASDI Program Dollar Accuracy Rate (Nonmedical Factors) -- FY 2013
 - -- 99.8% of payment outlays without an overpayment
 - -- 99.9 % of payment outlays without an underpayment
 - SSI Program Dollar Accuracy Rate (Nonmedical Factors) -- FY 2013
 - -- 92.4 % of payment outlays without an overpayment
 - -- 98.3% of payment outlays without an underpayment

DDS Accuracy Rate for Initial Disability Decisions - FY 2013

-- 98% - Overall performance accuracy rate

Medicare Program³

Number of HI/SMI Enrollees (FY 2014):

Total HI and/or SMI enrollees	53.6 million
Aged	44.6 million
Disabled	8.9 million
Total SMI enrollees	49.0 million
Aged	41.0 million
Disabled	8.0 million

Part A Hospital Insurance: Monthly Premium (2015)

Fully Insured \$0 30+ credits \$224.00 Fewer than 30 credits \$407.00

- Part B Supplementary Medical Insurance Premium (2015): \$104.90 to \$335.70 (Depends on income). Annual deductible is \$147.
- Income-Related Monthly Adjustment Amount (IRMAA) Information:

Number of Beneficiaries Affected: IRMAA/Part B – 2.82 million in 2015

IRMAA/Part D --1.98 million in 2015

*Modified Adjusted Gros	s Income (MAGI)	Total Monthly Part B Premium	IRMAA Part D 4
Single	Married Couple	•	
\$85,000 or less	\$170,000 or less	\$104.90 (standard premium)	\$ 0.00
\$85,000.01-107,000.00	\$170,000.01-214,000.00	\$146.90	\$12.30
\$107,000.01-160,000.00	\$214,000.01-320,000.00	\$209.80	\$31.80
\$160,000.01-214,000.00	\$320,000.01-428,000.00	\$272.70	\$51.30
\$214,000.01 or more	\$428,000.01 or more	\$335.70	\$70.80
Married, Filing Separately	<u>/</u>		
\$85,000 or less		\$104.90 (standard premium)	\$ 0.00
\$85,000.01-129,000.00		\$272.70	\$51.30
\$129,000.01 or more		\$335.70	\$70.80

Medicare Part D Subsidy Eligibility Requirements:

GENERAL - Individual Must Be:

- --Entitled to Part A or enrolled in Part B* (or both);
- --Enrolled in prescription drug plan and live in a service area (excludes the incarcerated);
- -- Reside in 50 States or D.C.;
- --File an application, and;
- --Have income and resources within specified limits.
 - 2014 Income Limits (latest numbers)*
 - --Full Subsidy Below 135% of poverty guidelines (below \$15,754 for an individual and \$21,235 for 2 person family in contiguous States and D.C. of the U.S.)
 - --Partial Subsidy Between 135%-150% of poverty guidelines (between \$15,754 and \$17,505 for an individual: between \$21,235 and \$23,595 for 2 person family in contiguous States and D.C. in the U.S.)
 - --Amounts adjusted annually based on federal poverty levels (FPL)
 - 2015 Resource Limits*
 - --Full Subsidy \$8,780 individual/\$13,930 married couple living together.
 - --Partial Subsidy \$13,640 individual/\$27,250 married couple living together.
 - -- Amount adjusted annually based on CPI.
 - *Includes burial fund exclusion.

Census Bureau Poverty Threshold Data (Latest Data 2014): Aged Individual: 11, 354 16,256

Couple, Aged Head of Household:

Resources/Contacts

Social Security Information: 1-800-SSA-1213 TTY: 1-800-325-0778

Number of calls to the 800 # FY 2014: 81,037, 852

SSA Online: http://www.socialsecurity.gov Constituent Relations Staff: (410) 965-3929 Congressional Affairs Staff: (202) 358-6030

Medicare Info: 1-800-633-4227 TTY: 1-877-486-2048

Medicare online: http://www.medicare.gov

The Affordable Care Act includes a 3.8% imposed surtax on unearned income for individuals/couples with MAGI above \$200/\$250k.

Part D premium depends on each individual's plan. The amounts shown in the column are added to the plan's premium.